

PROVIDING FOR THE CONSIDERATION OF H.R. 3248, THE  
DOLLARS TO THE CLASSROOM ACT

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SEPTEMBER 16, 1998.—Ordered to be printed

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Mr. DIAZ-BALART, from the Committee on Rules,  
submitted the following

REPORT

[To accompany H. Res. 543]

The Committee on Rules, having had under consideration House Resolution 543, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

BRIEF SUMMARY OF PROVISIONS OF RESOLUTION

The resolution provides for the consideration of H.R. 3248, the “Dollars to the Classroom Act” under a structured rule. The rule provides one hour of general debate divided equally between the chairman and ranking minority member of the Committee on Education and the Workforce.

The rule makes in order the Committee on Education and the Workforce amendment in the nature of a substitute now printed in the bill as an original bill for purpose of amendment, which shall be considered as read. Also, the rules waives clause 7 of rule XVI (prohibiting nongermane amendments) against the committee amendment in the nature of a substitute.

The rule makes in order only those amendments printed in this report. The rule also provides that the amendments made in order shall be considered only in the order specified, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

Further, the rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provided for one motion to recommit, with or without instructions.

SUMMARY OF AMENDMENTS MADE IN ORDER TO H.R. 3248, THE  
DOLLARS TO THE CLASSROOM ACT

Mink/Abercrombie—10 minutes: Strikes the repeal of the Native Hawaiian Education Act, so that the program will not be included in the block grant established in the bill.

Clay—60 minutes: Substitute amendment. Implements the President's education initiatives, such as reducing class size in grades 1–3 by providing funds to help local school districts hire and pay the salaries of an additional 100,000 teachers. States would also receive funds for teacher training and new teachers would be required to pass state competency tests. Additionally, states and localities would be allowed to issue almost \$22 billion in no-interest bonds for school construction and renovation during 1999–2000, with the Federal government providing tax credits in lieu of interest payments to the bond-holders.

TEXT OF AMENDMENTS MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MINK OF HAWAII, OR REPRESENTATIVE ABERCROMBIE OF HAWAII, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 17, strike lines 11 through 13.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CLAY OF MISSOURI, OR A DESIGNEE, DEBATABLE FOR 60 MINUTES

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE AND FINDINGS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Class-Size Reduction and Teacher Quality Act of 1998”.

(b) **FINDINGS.**—The Congress finds the following:

(1) Rigorous research has shown that students attending small classes in the early grades make more rapid educational progress than students in larger classes, and that these achievement gains persist through at least the elementary grades.

(2) The benefits of smaller classes are greatest for lower-achieving, minority, poor, and inner-city children. One study found that urban fourth-graders in smaller-than-average classes were three-quarters of a school year ahead of their counterparts in larger-than-average classes.

(3) Teachers in small classes can provide students with more individualized attention, spend more time on instruction and less on other tasks, and cover more material effectively, and are better able to work with parents to further their children's education.

(4) Smaller classes allow teachers to identify and work more effectively with students who have learning disabilities and, potentially, can reduce those students' need for special education services in the later grades.

(5) Students in smaller classes are able to become more actively engaged in learning than their peers in large classes.

(6) Efforts to improve educational achievement by reducing class sizes in the early grades are likely to be more successful if well-prepared teachers are hired and appropriately assigned to fill additional classroom positions and if teachers receive intensive, continuing training in working effectively in smaller classroom settings.

(7) Several States have begun a serious effort to reduce class sizes in the early elementary grades, but these actions may be impeded by financial limitations or difficulties in hiring well-prepared teachers.

(8) The Federal Government can assist in this effort by providing funding for class-size reductions in grades one through three, and by helping to ensure that the new teachers brought into the classroom are well prepared.

#### **SEC. 2. PURPOSE.**

The purpose of this Act is to help States and local educational agencies recruit, train, and hire 100,000 additional teachers over a seven-year period in order to—

(1) reduce class sizes nationally, in grades 1 through 3, to an average of 18 students per classroom; and

(2) improve teaching in the early grades so that all students can learn to read independently and well by the end of the third grade.

#### **SEC. 3. PROGRAM FUNDING.**

For the purpose of carrying out this Act, there are authorized to be appropriated \$1,100,000,000 for fiscal year 1999, \$1,300,000,000 for fiscal year 2000, \$1,500,000,000 for fiscal year 2001, \$1,700,000,000 for fiscal year 2002, \$1,735,000,000 for fiscal year 2003, \$2,300,000,000 for fiscal year 2004, and \$2,800,000,000 for each of the fiscal years 2005 through 2008.

#### **SEC. 4. ALLOCATIONS TO STATES.**

(a) **RESERVATION FOR EVALUATION.**—From the amount appropriated pursuant to section 3 for each fiscal year, the Secretary may reserve up to \$2 million to carry out the evaluation described in section 13.

(b) **RESERVATION FOR THE OUTLYING AREAS AND THE BUREAU OF INDIAN AFFAIRS.**—Of the amount appropriated pursuant to section 3 for each fiscal year and remaining after any reservation under subsection (a), the Secretary shall reserve a total of not more than 1 percent to make payments, on the basis of their respective needs, to—

(1) American Samoa, Guam, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands for activities, approved by the Secretary, consistent with this Act; and

(2) the Secretary of the Interior for activities, approved by the Secretary, consistent with this Act in schools operated or supported by the Bureau of Indian Affairs.

(c) **ALLOCATIONS TO STATES.**—(1) After reserving funds under subsections (a) and (b), the Secretary shall allocate to each State an amount that bears the same relationship to the remaining amount as the amount of funding the State received under section 1122 of the Elementary and Secondary Education Act of 1965 for

the previous fiscal year bore to the total amount available for allocation under that section.

(2) If any State chooses not to participate in the program under this Act, or fails to submit an approvable application, the Secretary shall reallocate its allocation to the remaining States, in accordance with paragraph (1).

**SEC. 5. APPLICATIONS.**

(a) **APPLICATION REQUIRED.**—The State educational agency of each State desiring to receive a grant under this Act shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

(b) **CONTENTS.**—Each application shall include—

(1) the State's goals for using funds under this Act to reduce average class sizes in regular classrooms in grades 1 through 3, including—

(A) a description of current regular classroom class sizes in the local educational agencies of the State;

(B) a description of the State's plan for using funds under this Act to reduce the average class size in regular classrooms in those grades; and

(C) the regular classroom class-size goals the State intends to reach and a justification for those goals;

(2) a description of the State educational agency's plan for allocating program funds within the State, including—

(A) an estimate of the impact of those allocations on class sizes in the individual local educational agencies of the State;

(B) an assurance that the State educational agency will make this plan public within the State; and

(C) a description of the current and projected capacity of the State's school facilities to accommodate reduced class sizes;

(3) a description of the State educational agency's strategy for improving teacher quality in grades 1 through 3 within the State (which may be part of a broader strategy to improve teacher quality generally), including—

(A) the actions it will take to ensure the availability, within the State, of a pool of well-prepared, certified teachers to fill the positions created with funds under this Act; and

(B) a description of how the State educational agency and the local educational agencies in the State will ensure that—

(i) individuals hired for positions created with program funds (which may include individuals who have pursued "alternative routes" to certification) will meet all of the State's current requirements for full certification, or will be making satisfactory progress toward achieving full certification within three years;

(ii) teachers in first through third grade will be prepared to teach reading effectively to all children, including those with special needs, and will take part in continuing professional development in effective read-

ing instruction and in teaching effectively in small classes; and

(iii) individuals hired as beginning teachers in first through third grade will be required to pass a teacher competency test selected by the State;

(4) a description of how the State will use other funds, including other Federal funds, to improve teacher quality and reading achievement within the State;

(5) a description of how the State will hold local educational agencies that use a significant portion of their allocations under section 8(a)(2)(B) accountable for that use of funds;

(6) an assurance that the local educational agency and its schools will comply with the requirements of subsections (a) and (b) of section 11; and

(7) an assurance that the State educational agency will submit such reports and information as the Secretary may reasonably require.

(c) **APPROVAL OF APPLICATIONS.**—The Secretary shall approve a State's application if it meets the requirements of this section and holds reasonable promise of achieving the purposes of this Act.

#### **SEC. 6. WITHIN-STATE ALLOCATIONS.**

(a) **STATE-LEVEL EXPENSES.**—Each State may use not more than a total of one-half of one percent of the amount it receives under this part for any fiscal year or \$50,000, whichever is greater, for the administration costs of the State educational agency and for State-level activities described in section 7.

(b) **SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.**—(1) Each State shall use the remainder of its allocation to make subgrants to local educational agencies, for the purpose of reducing class size and improving instruction in grades 1 through 3, on the basis of—

(A) current or projected regular classroom class sizes in grades 1 through 3 in those agencies; and

(B) the relative ability and effort of those agencies to finance class-size reductions with their own funds.

(2) Each State shall make the allocations described in paragraph (1) in such manner as to enable local educational agencies to reduce their average class sizes in regular classrooms, in grades 1 through 3, to the average class size proposed in the State application.

(3) Notwithstanding paragraph (2), each State shall ensure, in allocating funds under this subsection, that each local educational agency in which at least 30 percent of the children are from low-income families, or in which there are at least 10,000 children from such families, receives at least the same share of those funds as it received of the State's allocation under section 1122 of the Elementary and Secondary Education Act of 1965 for the preceding fiscal year.

(c) **MAINTENANCE OF EFFORT.**—(1) A local educational agency may receive an allocation under this section for any fiscal year only if it submits to, or has on file with, the State educational agency an assurance that it will spend at least as much from non-Federal sources as it spent in the previous year for the combination of—

(A) teachers in regular classrooms in grades 1 through 3 in schools receiving benefits under this Act; and

(B) the quality-improvement activities described in section 8(b).

(2) The Secretary may waive or modify the requirement of paragraph (1) for a local educational agency if the Secretary determines that doing so would be equitable due to exceptional or uncontrollable circumstances affecting that agency.

#### **SEC. 7. STATE-LEVEL ACTIVITIES.**

East State educational agency may use the funds it reserves for State-level activities under section 6(a) to carry out activities described in its application, which may include such activities as—

- (1) strengthening State teacher licensure and certification standards;
- (2) developing or strengthening, and administering, teacher competency tests for beginning teachers; and
- (3) program monitoring and other administrative costs associated with operating the program.

#### **SEC. 8. USES OF FUNDS.**

(a) **IN GENERAL.**—(1) Each local educational agency shall use all funds it receives from the State under this Act, except for funds it reserves under subsection (b), to pay the salaries of, and benefits for, the additional teachers needed to reduce class sizes in grades 1 through 3 to the level set by the State as its goal in the State application.

(2) A local educational agency that has already reached this level may use those funds to—

- (A) make further class-size reductions in grades 1 through 3;
- (B) reduce class sizes in kindergarten or other grades; or
- (C) undertake quality-improvement activities under subsection (b).

(b) **QUALITY IMPROVEMENT.**—(1) Each local educational agency shall use at least 10 percent of the funds it receives under this Act for each of the fiscal years 1999 through 2003 for activities to ensure that teachers who will teach smaller classes are prepared to teach reading and other subjects effectively in a smaller class setting.

(2) The activities described in paragraph (1) may include—

- (A) training teachers in effective reading instructional practices (including practices for teaching students who experience initial difficulty in learning to read) and in effective instructional practices in small classes;
- (B) paying the costs for uncertified teachers hired in grades 1 through 3 to obtain full certification within three years;
- (C) providing mentors or other support for teachers in grades 1 through 3;
- (D) improving recruitment of teachers for schools that have a particularly difficult time hiring certified instructors; and
- (E) providing scholarships or other aid for education and education-related expenses to paraprofessionals or undergraduate students in order to expand the pool of well-prepared and certified teachers.

#### **SEC. 9. COST-SHARING REQUIREMENT.**

(a) **FEDERAL SHARE.**—The Federal share of the cost of activities carried out under this Act may be up to 100 percent in local edu-

cational agencies with child-poverty levels greater than 40 percent, but shall be no more than—

(1) 95 percent in local educational agencies with child-poverty rates of more than 30 percent but not more than 40 percent;

(2) 85 percent in local educational agencies with child-poverty rates of more than 20 percent but not more than 30 percent;

(3) 75 percent in local educational agencies with child-poverty rates of more than 10 percent but not more than 20 percent; and

(4) 65 percent in local educational agencies with child-poverty rates of not more than 10 percent.

(b) **LOCAL SHARE.**—A local educational agency shall provide the non-Federal share of a project under this Act through cash expenditures from non-Federal sources, except that if an agency has allocated funds under section 1113(c) of the Elementary and Secondary Education Act of 1965 to one or more schoolwide programs under section 1114 of that Act, it may use those funds for the non-Federal share of activities under this program that benefit those schoolwide programs, to the extent consistent with section 1120A(c) of that Act and notwithstanding section 1114(a)(3)(B) of that Act.

#### **SEC. 10. CARRYOVER OF FUNDS.**

Notwithstanding any other provision of law, any funds received under this Act by a State or by a local educational agency shall remain available for obligation and expenditure by the State or local agency for one fiscal year beyond the fiscal year described in section 421(b) of the General Educational Provisions Act.

#### **SEC. 11. ACCOUNTABILITY.**

(a) **SCHOOL REPORT.**—Each school benefitting from the program under this Act, or the local educational agency for that school, shall produce an annual report to parents and the general public on its student achievement in reading (using available evidence of reading achievement of its students in grades 1 through 5 and the assessments the State uses under part A of title I of the Elementary and Secondary Education Act of 1965, disaggregated as required under that part), average class size in its regular classrooms, and teacher certification and related academic qualifications in grades 1 through 3.

(b) **LOCAL EDUCATIONAL AGENCY REPORTS.**—(1) **INTERM REPORTS.**—Each local educational agency shall provide each year, to its State educational agency, a report summarizing the information reported by, or for, its schools under subsection (a).

(2) **SUBSEQUENT REPORTS.**—Within three years of receiving funding under this Act, and each year thereafter, each local educational agency shall provide evidence, to its State educational agency, of the reading achievement of its students, in grade 3, 4, or 5 in schools served under this Act, which shall be—

(A) in a form determined by the State educational agency;

(B) based on the assessments that the local educational agency is using under title I of the Elementary and Secondary Education Act of 1965, or on comparably rigorous State or local assessments; and

(C) disaggregated to show the achievement of students in individual schools and of students separately by race and by gender, as well as for students with disabilities, students with limited English proficiency, migrant students, and students who are economically disadvantaged.

(c) **PROGRAM-IMPROVEMENT PLAN.**—A local educational agency with schools that fail to show improvement in reading achievement within three years of receiving funds under this Act shall, with the approval of the State educational agency, develop and implement a program-improvement plan to improve student performance.

(d) **REDUCED LOCAL ALLOCATIONS.**—If a school participating in the program under this Act fails to show improvement in reading achievement of its students within two years after the local educational agency develops a plan subsection (b), the State educational agency shall reduce the allocation to that local agency by an amount equal to the share of the local agency's allocation attributable to that school.

#### **SEC. 12. PARTICIPATION OF PRIVATE SCHOOL TEACHERS.**

Each local educational agency receiving funds under this Act shall, after timely and meaningful consultation with appropriate private school officials, provide for the inclusion (in a manner proportionate to the number of children residing in the area served by the agency's project under this Act who attend private schools) of private school teachers in the professional-development activities the agency and its schools carry out with those funds.

#### **SEC. 13. EVALUATION.**

With funds reserved under section 4(a), the Secretary shall carry out an evaluation of the program authorized by this Act, including a measurement of its effectiveness in accordance with the Government Performance and Results Act of 1993.

#### **SEC. 14. WAIVERS.**

The Secretary may, at the request of a State educational agency, waive or modify a requirement of this Act if the Secretary determines that such requirement impedes the ability of the State to carry out the purpose of this Act and that providing a waiver would better promote the purpose of this Act.

#### **SEC. 15. DEFINITIONS.**

As used in this Act, the following terms have the following meanings:

(1) **LOCAL EDUCATIONAL AGENCY.**—The term "local educational agency" has the meaning given that term in section 14101(18) (A) and (B) of the Elementary and Secondary Education Act of 1965.

(2) **SECRETARY.**—The term "Secretary" means the Secretary of Education.

(3) **STATE.**—The term "State" means each of the 50 States, the District of Columbia, and Puerto Rico.